

MEMORANDUM FOR: Deputy Director for Support

SUBJECT: Current Interest Items

1. Academy Referrals

We received replies from the Army, Navy, and Air Force Academies during the week. The Air Force has no "non-commission" cadets at this point but will notify us if any are subsequently identified. The Superintendent of the U. S. Military Academy identified one cadet who will not be commissioned for medical reasons -- Cadet [REDACTED] -- and advised us that Cadet [REDACTED] was interested in filing an application with us. The Superintendent of the Naval Academy gave us the name of Midshipman [REDACTED] as a possible candidate. We have written to both of these young men.

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2. Possible Increase in Hospitalization Insurance Rates

The Chief, Insurance Branch visited the Mutual of Omaha Home Office early in February. He met the senior company officials who handle our GEHA business and reported that he was "quite impressed not only at the high priority that is placed on all of GEHA's needs, but also the care from a security standpoint with which all of our operations are treated."

[REDACTED] reported that Mutual officials suggested the possibility that our hospitalization premiums may have to be increased next year. They indicated that we will be officially notified of this possibility and the reasons justifying an increase as soon as possible. As you probably know, a final decision on this point will involve ourselves, Mutual, and the Civil Service Commission and cannot be made until after June of this year. We will advise you as further information is received.

3. Exchange of Job Information with State Department

[REDACTED], a former Agency employee now with State Department, called our Salary and Wage Division to arrange a meeting with SWD representatives and a State Department position classifier on the subject of communications jobs. Chief, SWD has checked with O/Commo officials about giving information on our jobs and it was agreed that we might do so within appropriate security limits.

4. Backlog of Insurance Claims

Although there have been no "customer complaints" as yet, there is now a backlog of approximately 800 hospitalization insurance claims. The average processing time from submission to payment of a claim is three to four weeks. We are attempting to reduce this backlog without resorting to overtime but will watch this closely to avoid any longer time-lag on claims. Several employees will be moved on the day of Insurance Branch's move from South Building to R & S and we shall ask these people to make up that time off by working on Saturday. We believe this will help to reduce the backlog substantially.

5. ID Survey of Personnel

[REDACTED] attended the regular meeting of the Credit Committee of the Northwest Federal Credit Union on Wednesday, 4 March. At

SUBJECT: Current Interest Items

the conclusion of the meeting, they commented favorably on the blending of "prudence and humanity" reflected in the Committee's discussion and action on the cases presented.

Items of information furnished to the team during the week included the following:

- a. Statistics on the number of non-staff personnel, and on the number of proprietary employees;
- b. Grade and time-in-grade data for all members of the SP Career Service; analysis of Fitness Report ratings for SP personnel;
- c. Recent reports on the employment of negroes by the Agency;
- d. Policy background concerning the prohibition against employment of former Peace Corps personnel.

Also, as the result of suggestions made by our field recruiters and others, [REDACTED] has requested our views on the use of the Federal Service Entrance Examination in our recruitment screening, particularly of JOT's. Members of my staff, the Chief, A&E Staff, and the Chief, JOEP joined in a discussion with me on this proposal. The consensus of this group was that there was no apparent advantage or economy in using the FSEE and that doing so might have an adverse effect on applicants who view CIA as different from the routine government agency. Moreover, there is some doubt that the FSEE attracts the type of applicant we are seeking. In order to give full consideration to the views of the recruiters concerning this question, the Deputy Chief, PRD, the Chief, Field Recruitment Branch, PRD, the Chief, A&E Staff, and the Chief, JOEP will meet with a small group of recruiters in [REDACTED] on 16 March to explore their suggestion further.

6. Proposed Legislation - Payment of Travel Expenses for Employees Subpoened in Private Litigation to Testify in Official Capacity

The Civil Service Commission is drafting legislation to overcome an inequity to employees who are required to testify in their official capacity or to produce official records in private litigation. Under current rulings of the Comptroller General, an agency cannot pay the travel expenses of such an employee. In many instances, the employee is able to collect witness fees and travel expenses from the party litigant. In that event, he is requested to turn in to the Government any excess over his actual expenses. In other instances, however, such collection is not authorized and the employee has had to pay his own travel expenses. Members of the Interagency Advisory Group were requested to supply FY 1963 data on employees who had been required to appear in private litigation, the travel distances involved, and the estimated costs to the employees involved. On the basis of a check with the Office of General Counsel, we have advised the Civil Service Commission that we had no such cases but that we believe the proposed legislation is desirable.

SUBJECT: Current Interest Items

7. Possible Requirement for Additional Funds

Analysis of our obligations as of 31 January shows two areas of heavy expenditure which we may not be able to absorb within our overall allocation. These are the Interim Assignment Section and overseas medical claims. Overall, our obligations represented 58.4% of our allocation.

Although the IAS is now down to 102 in on-duty strength, its reduction from last summer's high of over 300 has been slow. We are projecting new estimates of the funds required to maintain IAS at substantially its present level and will advise you if it appears that the overage cannot be absorbed.

Also, January was the first month to show the impact of increased rates at military hospitals abroad. Obligations through December were close to our estimate based on prior experience. However, it appears that the unexpected increase in hospital rates will have a drastic effect. As with IAS, we are projecting a revised estimate in this case based on expenditures for January and February 1964. We will report the results and, if it appears that the increase cannot be absorbed within our overall allocation, will request additional funds.

8. Blood Donors

"Pete Pint", the symbol of our blood donor program, had his first anniversary on 3 March. A total of 163 pints of blood were contributed by 191 prospective donors.

9. Lenten Religious Services

Attendance and good will offerings on Wednesday, 4 March:

	<u>Attendance</u>	<u>Offering</u>
Catholic service	231	\$41.04
Protestant service	191	\$43.25

10. New Insurance Programs

a. UNICA: total number of applications received is [REDACTED] includes 307 from overseas.

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b. UNLIC: 153 new applications; 94 applications for increased coverage.

Emmett D. Echols
Director of Personnel

Distribution:

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OD/Pers, [REDACTED] sac (9 March 1964)

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